1 Adopt 2 Cal. Code Regs. Section 18537.1:

18537.1. Carryover of Contributions.

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- 4 (a) For purposes of Government Code section 85317, "subsequent election for the same elective state office" refers to:
- 6 (1) The "general election" as defined in Elections Code section 324, which is 7 subsequent to the "primary election," as defined in Elections Code section 341.
- 8 (2) The special runoff election, which is subsequent to the "special election," as
 9 defined in Elections Code section 356.

OPTION 2:

- For purposes of Government Code section 85317, "carry over" refers to the transfers of funds between a candidate's own controlled committees without attribution as required by Government Code section 85306(a). "Carry over" is only allowed under the following circumstances:
- (a) Contributions raised by a candidate in connection with any election to elective state office may be carried over and deposited into a campaign bank account established for re-election of that candidate to the same elective state office and may be used for campaign expenditures incurred in connection with that subsequent election. Funds carried over are not subject to the attribution required by Government Code section 85306(a).
- (b) A candidate for elective state office may not carry over contributions pursuant to subdivision (a) until all net debt for the prior election is extinguished. Funds left over after the extinguishing of net debt may then be carried over pursuant to subdivision (a).

07/18/01 1 18537.1

- (c) Contributions for an election to elective state office may not be accepted by a
- 2 candidate for elective state office after the date of the election, except as permitted by
- 3 Government Code section 85316.
- 4 (d) Upon payment of debt pursuant to Government Code section 85316 or the
- 5 carryover of remaining funds pursuant to Government Code section 85317, campaign
- 6 committees and bank accounts for the prior election will be terminated pursuant to
- 7 Government Code section 84214 and California Code of Regulations, Title 2, sections
- 8 <u>18404 and 18404.1.</u>
- 9 NOTE: Authority cited: Section 83112, Government Code.
- Reference: Sections 84214, 85316 and 85317, Government Code.